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Earl Ford McNaughton

EXXON USA

FIRST QUARTER, 1979

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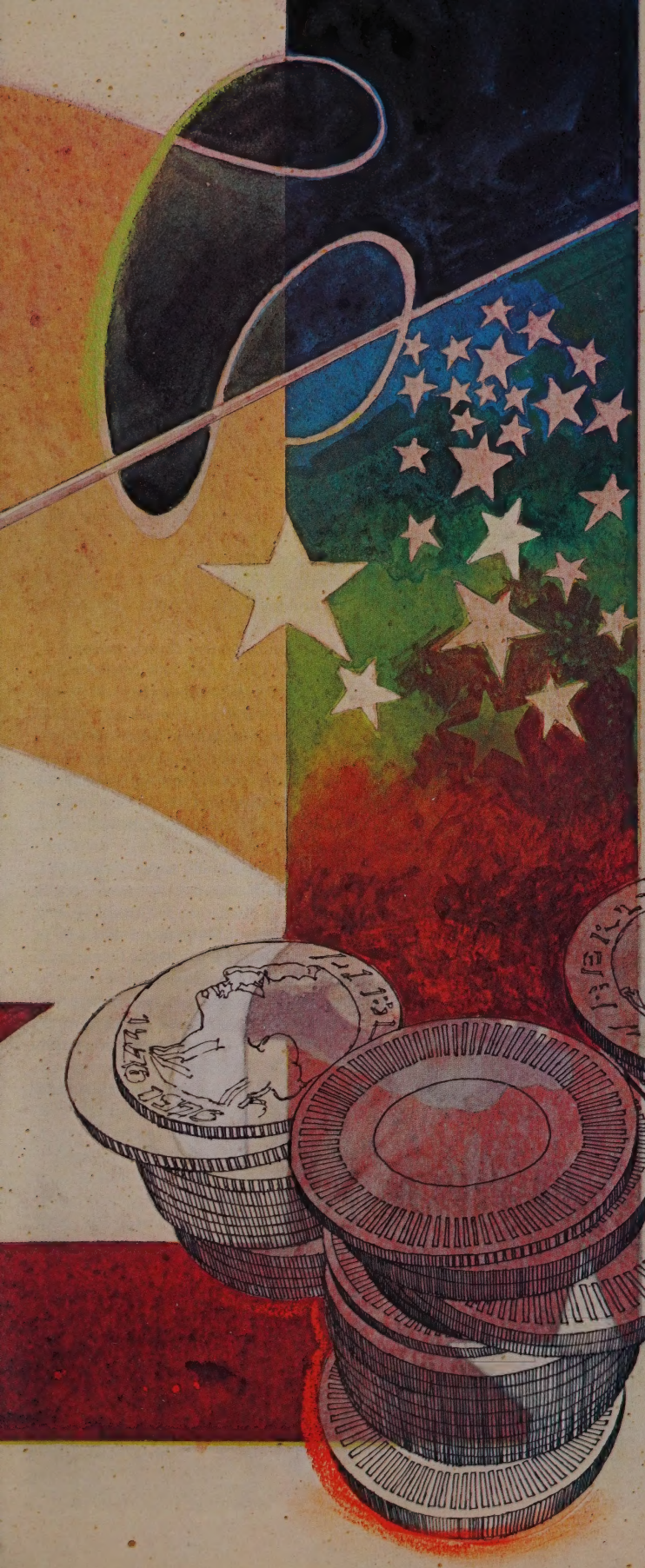


Keeping The Third Sector's Purse Full

The private nonprofit third sector represents the American preference for diversity and personal freedom.

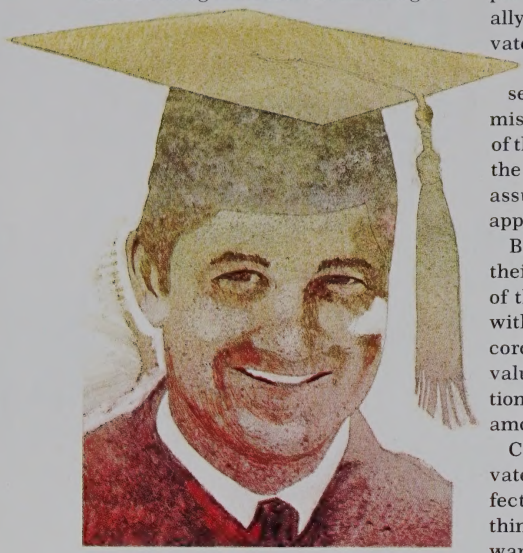
LATTER-DAY CAESARS describe all America as divided into three parts. To the traditional public and private sectors, they add a third sector composed of those privately financed but nonprofit organizations that in the past two or three decades have come to exercise such influence on the quality and direction of life in these United States.

What constitutes the third sector? According to surveys conducted by the Filer Commission on Private Philanthropy and Public Needs, it includes:

- 350,000 religious organizations
- 37,000 human service organizations
- 6,000 museums
- 5,500 private libraries
- 4,600 privately supported secondary schools
- 3,500 private hospitals
- 1,514 private institutions of higher education
- 1,100 symphony orchestras

And that's just a start. In fact, organ-

izations in the private nonprofit third sector are literally too numerous for accurate counting; by some estimates, there may be as many as six million voluntary organizations in the country. That three out of four Americans are said to belong to at least one such organ-



ization testifies to a character trait that appears to be uniquely American. It was detected in the 1820s by that perceptive Frenchman Alexis de Tocqueville who may have been the first outside observer to identify and define our national penchant for associating voluntarily in the pursuit of our own goals. De Tocqueville wrote in *Democracy in America:*

"Americans of all ages, all conditions, and all dispositions constantly form associations. They not only have commercial and manufacturing companies in which all take part, but associations of a thousand other kinds, religious, serious, moral, futile, general or restricted, enormous or diminutive. The Americans make associations to give entertainments, to found seminars, to build inns, to construct churches, to diffuse books, to send missionaries to the antipodes. In this manner they found hospitals, prisons, and schools. If it is proposed to inculcate some truth or to foster some feeling by the encouragement of a great example, they form a society. Wherever at the head of some new undertaking you see the government in France, or a man of rank in England, in the United States you will be sure to find an association."

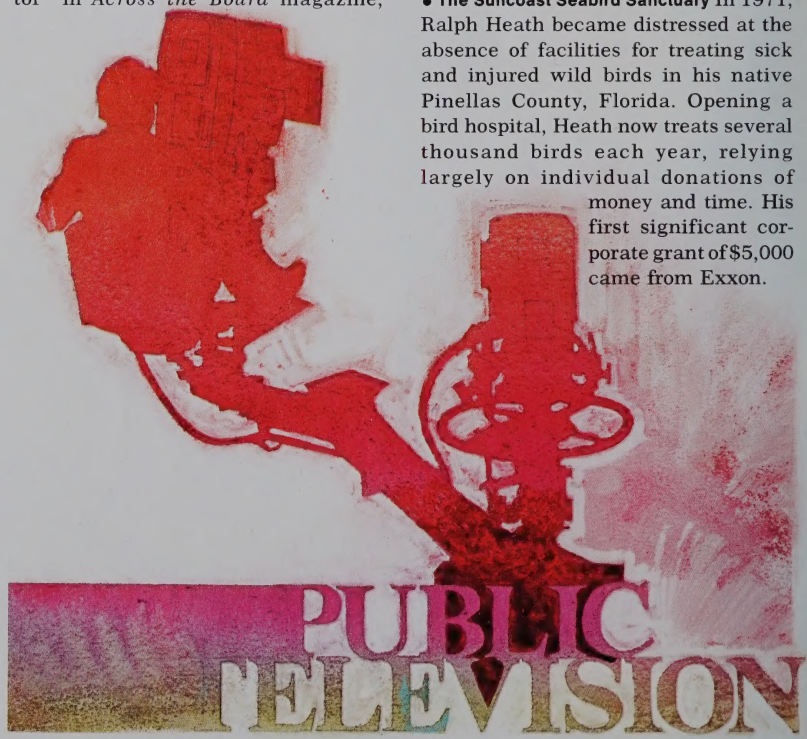
And so it was in 1977, with individual philanthropists contributing in excess of $29 billion voluntarily toward the support of the private nonprofit sector. To that sum, says the American Association of Fund-Raising Counsel, add another $6 billion in the form of bequests, funds from foundations, and gifts from corporations. The federal government provides well above $20 billion annually in the form of grants, and some private nonprofit organizations generate income on their own in the form of service fees. All told, the Filer Commission estimates, total 1974 receipts of the private nonprofit sector were in the range of $80 billion. It may be assumed that 1978 receipts would be appropriately higher.

But that's not all. Supplementing their gifts, Americans give generously of their time, working countless hours without pay for nonprofit causes. According to one estimate, the annual value of voluntary service to organizations on the part of millions of people amounts to $26 billion.

Clearly, Americans regard the private nonprofit organization as an effective and desirable way of getting things done, or at least of working toward goals in which they believe. From such initiatives, said the late John D. Rockefeller III, himself among the most generous of America's philanthropists, virtually every significant step forward in social progress has sprung. Writing about "The Third Sector" in *Across the Board* magazine, Rockefeller cited examples from history. In the 1830s, Dorothea Dix turned a personal campaign into a national movement to reform institutions for the treatment of the mentally ill. In 1848, Elizabeth Cady Stanton, Amelia Bloomer, and Lucretia Mott founded the Women's Suffrage Movement that gained for women the right to vote, and subsequently served as the inspiration for others seeking to affirm the rights of women. In the 1890s, the first state Audubon societies formed to safeguard the nation's wild birds. In 1934, William Wilson founded Alcoholics Anonymous as a means of aiding others afflicted with alcoholism.

In each case, Americans took positive action on their own, contributing their own time and funds, managing their own activities, rather than calling passively for governmental relief. The American urge toward self-reliance continues vigorously today. For example:

- **The Arizona-Sonora Desert Museum** In 1952, Bill Carr and Arthur Pack, distressed by public ignorance of desert ecology, formed a museum and zoo devoted to this subject. Today, aided by the subscriptions of 12,000 members and grants from companies such as Exxon Company, U.S.A., the institution has made itself into one of the best zoos in the world.
- **The Suncoast Seabird Sanctuary** In 1971, Ralph Heath became distressed at the absence of facilities for treating sick and injured wild birds in his native Pinellas County, Florida. Opening a bird hospital, Heath now treats several thousand birds each year, relying largely on individual donations of money and time. His first significant corporate grant of $5,000 came from Exxon.



• **Mast Store** In 1973, John Wilson led other North Carolina residents in helping to save for the tiny Watauga County community of Valle Crucis an authentic general store that for a century had served as the social and commercial center for the mountain people of the area. Exxon was one of the donors to Wilson's Appalachian Association for the Preservation of Important Places, which he organized to receive funds for the project.

• **Volunteer Involvement Program** In 1974, Exxon initiated its VIP program designed to encourage employees to donate their spare time to community service work, and to put volunteers in touch with service organizations requesting such help. Hundreds have responded in the company's Houston headquarters, and are now working with dozens of organizations.

More examples by the hundreds could be cited, for Exxon, as a creature of the private enterprise system, endorses and supports such private initiatives. In 1977, for example, the company contributed $25 million in the United States toward the support of nonprofit institutions; in 1978, the philanthropic budget rose to $28 million.

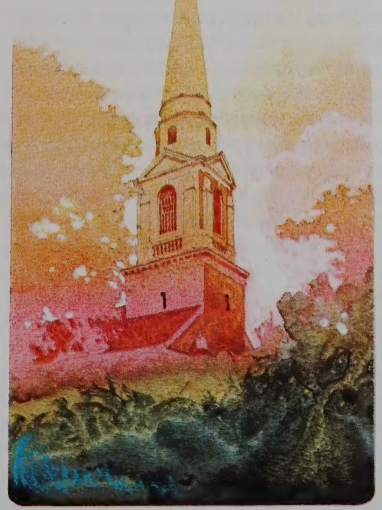
Reporting on Exxon's philanthropy, C. C. Garvin, Jr., chairman of Exxon Corporation, observes that such contributions "reflect our objectives of helping responsible organizations cope with social problems and of enriching the lives of people wherever we conduct our business." Grants span public interest activities ranging throughout education, minority training, community service, health, the environment, the arts, and other areas, Garvin points out.

Such contributions help public interest organizations maintain the many services on which people have come to depend. Yet the third sector reports that it is in trouble.

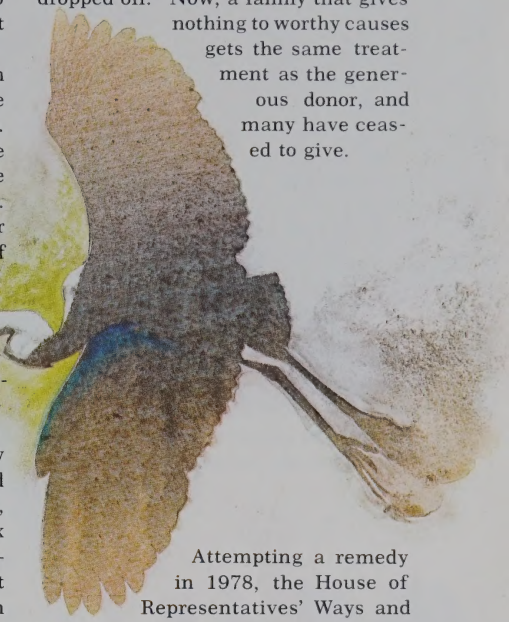
Several reasons are cited, inflation being one. Costs have gone up for the third sector as for the first and second. Yet, there is less money available. Since 1960, individual contributions have dropped $8 billion in constant dollars. Federal tax policies are also blamed for worsening the financial condition of the third sector.

C. Lowell Harriss, a professor of economics at Columbia University, suggests that the government has inadvertently made "tax deductible" donations less attractive to 8 out of 10 American taxpayers.

Writing in the National Public Policy Syndicate's *Commentary* on the need for tax reform to encourage donations, Harriss points out that in writing tax legislation, Congress intended to encourage people to donate to nonprofit organizations by agreeing, within limits, to forego taxation of money donated to charity. Someone earning $16,200 a year, for example, could thereby give $1 to the United Way at a net cost to himself of 69 cents. But at the same time, in an effort to simplify the tax forms and procedures, Congress provided for a standard deduction that is now built into the tax tables. It was set at a figure greater than the typical taxpayer could claim if itemizing all deductions.



"Congress intended the automatic deduction to reduce tax burdens on lower income groups and to get more people in middle income ranges to use the simple form," Harriss writes. "But another result — not intended — was that the incentive to give to charities dropped off." Now, a family that gives nothing to worthy causes gets the same treatment as the generous donor, and many have ceased to give.



Attempting a remedy in 1978, the House of Representatives' Ways and Means Committee tentatively endorsed, during consideration of major tax reform legislation, a proposal sponsored by Congressmen Fisher and Conable that would have reinstated the tax incentive by permitting taxpayers to deduct donations in calculating taxable income before referring to tax tables. However, the committee did not give final approval to the measure. Had it been adopted, experts believe, private donations to charity would have increased by some $4 billion a year.

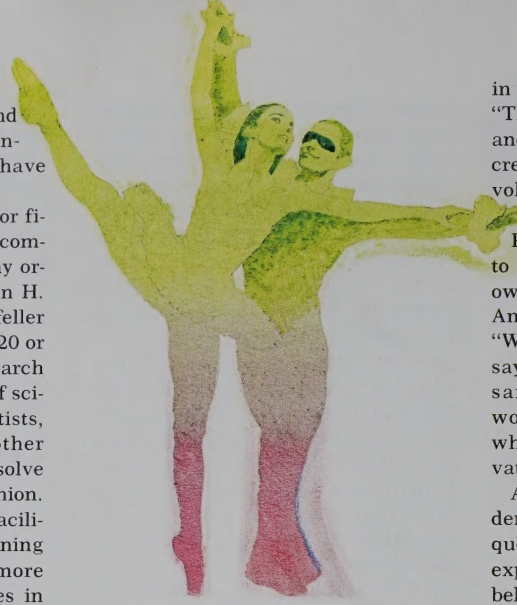
To these concerns, add the fact that the third sector has been a victim of its own success. In welcoming the services that third sector organizations provide, society has asked ever more of them. Demand for services has soared. Yet a service organization cannot increase productivity and reduce unit cost as a manufacturer can by putting in an assembly line and creating economies of scale. Nonprofit organizations are "labor intensive," meaning that as demand for services rises, more people must be hired to provide them. The Filer Commission points out that in higher education, for example, 85 percent of the budget goes to salaries and wages. For symphony orchestras, the figure is 77 percent. For opera, 66 per-

cent. The only way third sector organizations can meet the demand for services is to obtain commensurately higher revenues, which have not been forthcoming.

Still another drain on third sector finances has been the increasing complexity of the work in which many organizations are involved. Dr. John H. Knowles, president of the Rockefeller Foundation, observes that where 20 or 30 years ago one person might research a medical problem, today teams of scientists, economists, political scientists, cultural anthropologists, and other specialists may be required to resolve complex issues in a rational fashion. They, in turn, require "special facilities, expensive equipment, lengthening training programs," and ever more sophisticated tools and procedures in their work. The product, he says, is better, but finances have been severely strained for the nonprofit organizations involved.

Noting the plight of the third sector, some observers suggest that governmental agencies should take over. Dr. Elvis Stahr, president of the National Audubon Society, affirms and opposes the trend. He reports "a growing feeling that the simplest way to run a society is for the government to collect all the money and then decide how to spend it for anything we need." And he adds, "I think that's a bunch of nonsense."

Much of the nonprofit private sector would then be eliminated, he predicts. When that happens, the nation will not have three sectors, but one: the government. "If the private nonprofit sector goes," Stahr says, "the private profit sector won't be far behind."



There is precedent. Already, the government has assumed much of the responsibility for health, education, and public welfare in America. All were once the concerns primarily of privately organized institutions.

Likewise, through grants-in-aid and the awarding of contracts, government now accounts for a large and growing percentage of third sector revenues. The trend jeopardizes the third sector's existence. "If government support becomes too large a proportion of a nonprofit institution's budget, it will soon lose its independence and become a *de facto* government institution," John D. Rockefeller III cautioned in *"The Third Sector."*

A bill considered in 1978 by the House Commerce Subcommittee on Communications typifies the trend toward governmental absorption of private sector public service activities. Among other things, the bill would have severely discouraged public television stations from soliciting private support for public television programs. A tax scheme was proposed as an alternative, with a government agency becoming the sole source of Public Broadcasting System program funds.

The bill failed to receive the committee's endorsement. But the issue remains central, as the Filer Commission points out, to "whether the managers of the organization consider themselves and behave as independent operators or as civil servants." Should the one-sector system become a reality, then opportunities and incentives for individual initiative will disappear. Arguing in favor of private involvement in public service, Knowles states that, "The growth of monolithic government and increasingly centralized power increases the importance of maintaining voluntary institutions and pluralistic approaches to problem solving."

Pluralism, or the right of Americans to go their own way in pursuit of their own visions, lies at the heart of what America is all about, Stahr observes. "We can be different in this country," he says. "We don't all have to march to the same tune." And he adds that he wouldn't want to live in a country where regimentation discourages private initiatives.

At stake, says Randall Meyer, president of Exxon Company, U.S.A., is unquestionably "freedom, whether it is expressed as the freedom to state one's beliefs, to teach differing philosophies, to form social or labor organizations, or to pursue a business opportunity." To safeguard these freedoms, Meyer believes that the institutions of the private sector must come to each other's support, even where opinions and philosophies clash. "It would be dangerous to its long-term interests and those of society," he says, "for a business to withdraw its support of those in the private sector with whom it occasionally differs." Meyer believes that mutual support within the private sector will help to ease pressures upon government to involve itself in the private sector. "The truth is," he points out, "that all private institutions are harmed when the ability of any one to pursue its legitimate role in society is impaired."

Americans must, in their own interest, recognize the link between personal freedom and the vitality of private institutions. As the Filer Commission concludes, the third sector's most effective insulation from all purse-string control is to have more than one purse to draw from. It is the responsibility of Americans to help keep that purse full.

DOWNS MATTHEWS

Elvis Stahr says:

"We Must Help Each Other"

WHEN DR. ELVIS J. STAHR speaks today, he does so as the 10-year president of the National Audubon Society, a private nonprofit organization prominent in the cause of environmental conservation. In earlier contexts, Stahr has spoken as Secretary of the Army under President Kennedy, as president of two major universities, as dean of a law school, and as a practicing attorney. He has served on the boards of three banks, an insurance company, an industrial member of the Fortune 500 companies, and numerous nonprofit organizations.

With a foot in both the profit and the nonprofit camps of the private sector, Stahr clearly understands the needs and concerns of both. Scholar and professional man, teacher and administrator, he has gained both the wide overview and the insider's insight that enable him to explain why profit-oriented companies (such as Exxon) should give money in support of nonprofit organizations (such as Audubon).

Stahr's reasons extend much farther than the obvious justification of seeking to do good in the hope of improving an imperfect world. They address the fundamentals of the private enterprise system and speak to the need for protecting the freedoms Americans have long taken for granted as their birthright. "If we are to survive as free people," Stahr says, "we in the private sector must help each other." The following interview clarifies his views:

EXXON USA: *Dr. Stahr, those of us in business worry about the growing presence of government in the day to day conduct of our work. Do you in private nonprofit organizations have the same concerns?*

STAHR: We certainly do. Everywhere, the government is intruding more and more. And while governmental assistance is sometimes helpful, that's not always why it intrudes. I hear people say that the government can do a better, more equitable job of providing for citizens than we can do for ourselves. I think that's a bunch of nonsense. It's also dangerous. If the government is responsible for everything, then individual responsibility can be shirked. No one feels responsible if the government is responsible. Yet the entire wealth of this country isn't enough to pay for the kind of results that responsible individuals can generate through their own voluntary actions. The private nonprofit sector of our society is a living expression of that philosophy and of that reality.

EXXON USA: *What keeps the government from doing a better, more efficient job in the field of public service activities?*

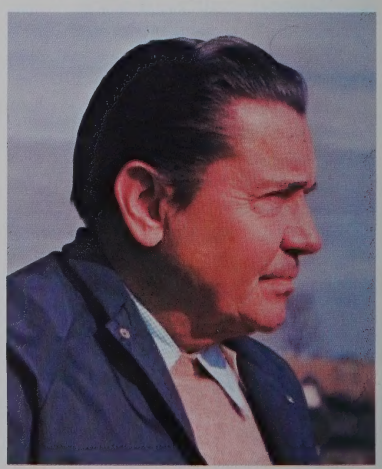
STAHR: For one thing, all government programs have a huge built-in overhead that private nonprofit organizations don't have, so it costs far more to achieve a given end through governmental action than if a third sector organization were to do it. For another, the third sector can call upon the voluntary help of millions of individuals interested in supporting some cause or goal. But the most important reason is that private organizations protect the advantages of diversity which government simply cannot accommodate. Government is a political creation answerable to everyone. It has to bend over backwards to be even-handed. Before it can do anything, the government must first put out a set of regulations that applies to every conceivable aspect of the activity. It has to evolve a single standard that applies uniformly throughout the country. This in itself endangers a society that regards innovation, initiative, and diversity as virtues.

EXXON USA: *What do you mean by diversity?*

STAHR: Take higher education. There's room there for many different philosophies and approaches. No one has all the answers, so not all approaches to higher education should be the same. Because one college requires Latin doesn't mean that all colleges should require it. In the natural world, diversity is a key element. An ecosystem that doesn't have a diversity of plants and animals is an unstable system and will not survive. The same is true of society. Diversity provides checks and balances. If one element of society gets out of line, other elements must be there to correct it if the society is to survive. But if the government takes over everything, who's left to watch the government and call a halt when matters get out of hand? The third sector, the private nonprofit sector, now provides that kind of watchful, useful diversity that makes for a more stable and workable society.

EXXON USA: *The advantages of diversity suggest that third sector organizations have greater latitude and flexibility in their work than government organizations, and can thus do a better job. Is that a fair statement?*

STAHR: Yes, it is. A private nonprofit group can pursue its objectives at whatever cost, and it can stand up for its own principles even though it may anger others by doing so. The government agency cannot easily do this. It is subject to such heavy political pressures that it cannot do that which isn't generally supported. Likewise, the private group can follow any approach that seems to work, where the government cannot diverge from the letter of the enabling law. Each agency has its charter with detailed regulations and reservations that it must work within. Along similar lines, the private group can get things done, and done quickly, because it isn't burdened by excessive paperwork and approvals procedures. Along a different line, the private group generally has superior personnel than most government agencies are able to attract because it is staffed by people dedicated to a cause. Such workers offer expertise and loyalty and effort that money can't buy. This isn't meant as criticism of government (which in any event can't do much to change matters) as much as it is a celebration of the advantages of diversity.



Dr. Elvis J. Stahr: "If we are to survive as a free people, we in the private sector must help each other."

EXXON USA: *Government agencies, once created, have a way of becoming permanent fixtures. They also resist change. What about the third sector? Is this a problem?*

STAHR: It's much easier to get rid of a private organization with a small and untenured staff than it is to bust up a government operation, no matter how little it is needed or how incompetent it may become. People comment on the proliferation of private organizations without realizing how many fade from the scene after only a few years of existence. They come and they go as needed without any cost to taxpayers. Only the strongest that are truly fulfilling a real need tend to last very long. These are the organizations that attract lasting and extensive public and corporate support.

EXXON USA: *On a national average, companies contribute about one percent of their profits before taxes to the third sector. Surveys indicate most shareholders favor such philanthropy. But some do not. What do you say to shareholders who would halt corporate giving?*

STAHR: The strongest and most immediate argument is that if the private nonprofit sector goes down the drain, the private profit-making sector will soon follow. If the shareholders — who have an obvious stake in the survival of the private sector — withhold their support of the third sector, then it will die. That would leave America with a monolithic business sector and a monolithic government sector. Instinct and evidence should tell you that in a confrontation between these two, government will win. You could eventually wind up with nationalization of business and the stingy shareholder could find himself nursing some worthless stock certificates. Another argument is that in America our cultural and spiritual needs are administered to chiefly by nonprofit organizations. If these are starved to death, what kind of world would this be? Would it be a world you'd care to live in? Still a third argument points out that customers prefer to buy from companies that are socially responsible and supportive of high values and worthy goals. It can be demonstrated that the good corporate citizen is more likely to succeed than the corporate skinflint, because the company that meets its responsibilities to society creates a reservoir of goodwill that pays off. Word gets around. Customers, too, have a stake in the private nonprofit sector, and they know who their friends are. Companies can properly regard their philanthropies as an investment that will ultimately produce more business for them through the creation of a healthier economic climate and a more receptive political climate. All of us make choices in the marketplace. And we choose to buy from companies that support what we believe in. So, corporate philanthropy can be equated to a degree with corporate survival. Such giving is nothing more than a matter of enlightened self-interest, and there's nothing wrong with that.

EXXON USA: *As you say, people like and support those who think and act as they do. So how do you deal with conflict between your interests and the interests of those you hope will support you? What about the company that bars support for the nonprofit organization that appears to be working for goals that may be at cross-purposes to those of the company? What then?*

STAHR: First, let me say that companies have no obligation to support irresponsible organizations, or those that are patently unfair or entirely dogmatic or wildly hostile to society's accepted values. Nor should companies think they have to give money to every group that asks for it. What would be accomplished if Exxon were to give $4 each to six million organizations? Nothing. But with that said, let me add that business people must embrace a broader, larger view of the world and cope with criticism on the basis of facts. Business can afford some criticism. It isn't always right. Dialogue is healthy because it is a way of finding the truth. If business kills off criticism by withholding its support from all critics in the third sector, the deterioration of nonprofit organizations, in time, will cost business its staunchest ally in the private sector. Further, if you decide to play "god" and make philanthropic decisions based on the narrowest and most selfish of interests, you open yourself to unbearable criticism from the public at large. Let's take the subject of environmental conservation. If business lets others take over the sole support for environmental conservation, it essentially abandons the field to its most radical opponents, some of whom have virtually declared war on industry. Your lack of support for responsible environmental conservation groups would lead either to a field day for organizations given over to unreasoning hostility to all business interests or to the erosion and possibly even the eventual destruction of the private nonprofit sector as we know it. In either case, business would find itself in serious trouble. It is like our political system. The party in power shouldn't be allowed to muzzle the party out of power. There must be a free marketplace for ideas and constructive criticism that leads ultimately to the sensible resolution of problems. Without opposition, we'd have tyranny. Your nonprofit partners in the private sector — even when they criticize you — still share your concern for keeping the private sector strong and free. We must help each other if we expect to retain the independence and freedom that mean so much to us all. **DOWNS MATTHEWS**

OUR READERS COMMENT

On Multiple Use of Public Lands

Which policy constitutes wise use of public lands? Here's what Exxon USA readers had to say about it.

"DOES AMERICA STILL BELIEVE in Smokey Bear?" *Exxon USA* asked in an earlier edition. Do the historic policies permitting multiple use of public lands, as practiced by the United States Department of Agriculture Forest Service, no longer constitute good forest management? Does the practice of compatible usage of public lands no longer represent the preference of most Americans? When examined with an eye to the nation's multiple needs, does the current wilderness movement make sense?

The questions elicited a response from 80 concerned individuals, most of them engaged in forestry as rangers, managers, or teachers. While most favored a limited wilderness program, there were those who felt current proposals go too far. Some deplored the wilderness idea; some were strongly in favor. But in a ratio of around 10 to 1, respondents favored the application of multiple-use policies to most, if not all, public lands as best for America.

Excerpts from letters, chosen to touch upon the principal issues raised,

are reproduced here by permission of the letter writers.

"I personally feel that *all* humans *use* resources. The man who sits in a wooden chair and writes on paper is just as responsible as the man who actually cuts down the tree. Urban men consume tremendous amounts of resources that their rural brothers have to grow or cut down or mine for them.

"To remove resources with the least amount of environmental damage is a worthwhile goal. Often we *can* have the resources and also have a good environment. To not remove these resources at all is questionable, depending upon how badly they are needed.

"I, like most people who are interested in conservation, do feel a little wilderness is nice. The question is how much. In the 100-million-acre wilderness in Alaska I doubt that many backpackers will ever penetrate more than 50 to 100 miles into the interior. The area in the middle will be untouched."

Michael K. Meyer
Jeffersonville, Indiana

"There is definitely a need for the preservation of land and water in pristine condition. The conflict arises in resolving the matter of just how much is enough.

"A distinction should be made between preservationists and conservationists. The preservationist approach would result in very limited active use (and strikes me as being analogous to stashing money in a bottle in the backyard during a prolonged period of high inflation), whereas forest conservation implies the wise use and development of forest resources for optimum long-term benefits for people."

R. M. Watt
Forest Resource Manager
Office of Forestry
State of Louisiana
DeRidder, Louisiana

"I see no logical alternative to the U.S. Forest Service policy of multiple use. The withdrawal of the proposed area (62 million acres) would be a catastrophe of the first order. Unless there is a prudent use of the national forest land the country is in for a rude awakening. Locking away the amount of proposed area for wilderness is tantamount to reducing the GNP. I do not work for the USFS, but I think their multiple use policy has to be continued."

John W. Lehman
Clewiston, Florida

"Wilderness enthusiasts don't believe in Smokey Bear. They only see *today*, not *tomorrow*. A forest is a living, growing resource which needs to die in order that its protection, development, and production of all natural resources can go on for future generations.

"To tie up areas such as wilderness areas with difficult restrictions for the temporary use of a few persons who can use them is selfish thinking. These people . . . should stop and think about the future, not just the present.

"One of the biggest problems the Forest Service has is making the wilderness enthusiast (usually a big city person) understand that *trees die*. Wilderness cannot last forever and has to be managed if those coming after this generation can realize the opportunities of seeing wilderness areas in the future."

Paul J. St. Amant
Forest Service (Ret.)
Milwaukee, Wisconsin

"I want to commend your . . . article on single-use (wilderness) vs. multiple-use forestry on the public forest lands . . . The general public is easily swayed these days by the 'environmentalist' philosophy, though few of them ever set foot in the woods.

"As a former Chief Plant Pathologist of the Forest Service, I could recite chapter and verse in support . . . of the multiple-use concept."

George H. Hepting
Forest Service (Ret.)
Asheville, North Carolina

"Much is said about the success of 'multiple-use management' on public lands. There is no mention of failures.

"The argument is made for the 'intelligent management of public lands for the greatest possible good for the greatest number of people.' The competence of the 'managers' is never questioned.

"If Exxon needs more drilling leases on public lands, why don't they just come out and say so?

"Rather than casting a greedy eye towards the exploitation of the wilderness, we should concentrate on reforesting our private and public timber lands, eliminating and recycling the waste of our industries, and adopting a strict energy conservation ethic that will lead us away from our dependence on nonrenewable fossil fuels."

Dan Austin
Land Department
Douglas County
Roseburg, Oregon

"I think it is a crime to lock up areas the way the National Park Service does, and have mature timber rot, or be destroyed by wildlife rather than utilizing it.

"The forests and public lands should be open to all uses, logging, pulpwood cutting, grazing, mineral exploration and development, hunting, fishing,

"I personally feel that all humans use resources. The man who sits in a wooden chair and writes on paper is just as responsible as the man who actually cuts down the tree."

boating, camping, bird watching, etc.

"I believe there should be wilderness. Such areas should be scattered over the country and range in size from 200 acres to 30,000 acres. Thirty-thousand acres of virgin timber or wilderness area . . . all that is needed for the preservation of such areas . . . would only be needed in a few cases; 200 acres to 10,000 acres would be nearer the norm.

"To set aside millions of acres is sheer waste of our natural resources, and this is something we cannot afford to do in this day and age."

Richard L. Dolton
Professional forester
Brant Beach, New Jersey

"The activisim in the environment has resulted in many pluses. As a nation we are much more aware of the problems associated with a 'well-being' that develops from clean air, water, and perhaps solitude. We are not aware of the costs involved. Industry and the academic community share in this lack of knowledge of the price increase in a product because capital is spent to improve or maintain an environment. Such capital expenditures do not enhance production or reduce costs of products, but do add to inflation.

"In a similar manner, we in the forestry profession have not responded with the economic impacts associated with setting lands aside for a single use, in this case, wilderness. The Redwood Park, although not a wilderness, is a set-aside, single-purpose example. The unemployment rate in Del Norte County is near 25 percent and is attributable to this set-aside.

"There is definitely a need for the preservation of land and water in pristine condition. The conflict arises in resolving the matter of just how much is enough."

"I would argue that the American public never had 'elemental understanding' of the natural resource base. The articulate preservationist has been heard. The resource manager has not."

Wayne K. Murphey
Head of Forest Science
Texas A&M University
College Station, Texas

"We used to manage our public lands, our greatest natural resource, for the 'greatest good for the greatest number in the long run,' in the words of Gifford Pinchot. Now the wilderness people say no — close all public lands to all people and all use except hiking, horseback riding, and canoeing. This is flagrant discrimination against all old and physically infirm people. I'm one of the 99% who are excluded from wilderness use and benefits. But I still have to pay the costs of wilderness in lost taxes and deterioration in growing stock.

"Eventually, the pendulum will swing against the wilderness but only after fire, disease, and bugs do to the decadent, overmature forests what the professional foresters have been unable to forestall."

Clinton S. Herrick, Jr.
Professional Forester (Ret.)
Atlanta, Georgia

"I think the article is very helpful in letting your readers know what is really meant by Wilderness classification and the costs involved in many proposals to expand our National Wilderness Preservation System.

"Many visitors to my district describe their one week stay in our developed campgrounds as a wilderness experience. As your article points out, formal Wilderness classification means something far different. Mr. Dedera has done an excellent job . . . of clarifying the true impact of many current proposals . . ."

Stephen L. Beck
Resource Officer
Forest Service
Kings River Ranger District
Sanger, California

"Don Dedera has done well in describing the current dilemma posed by increasing pressure to create more wilderness areas. . . .

"When a location from the Salmon River Valley in Idaho is proclaimed to be a wilderness area, who are the beneficiaries? Certainly not the tenement dwellers in any large eastern city. Except for a very few people who live near

its boundaries, it means nothing to nearly all U.S. citizens and becomes, in effect, a toy for an affluent few.

"I am strongly in favor of managing the forest lands . . . under the guidance of 'multiple use.' . . . Let us by all means have wilderness areas but let's define them so as to be able to secure other benefits too."

C. Allen Bickford
Forest Service (Ret.)
Professor Emeritus
College of Forestry, SUNY
Bristol, Tennessee

"First, I'd like to say that using Smokey as a federal symbol is misleading because he is actually a fire prevention symbol for various forest ownerships, including federal and state. But the important issue is multiple-use management and I thought your article addressed the subject quite well.

"More and more people advocate restriction of natural resource management these days and opt for wilderness dedication of our forests. There is a place for wilderness, but it can be overdone.

"These people . . . are urban residents . . . usually well-to-do . . . who hunger for the satisfaction associated with a cause. . . . They are good people . . . but they often fall into the trap of forming opinions with superficial basis in fact.

"Let's not forget that they live in wooden houses, too, and that proper forest management is beneficial . . . to the environment.

"It is the responsibility of those who understand multiple use to help educate those who don't. The article in your magazine was a good example of how this can be accomplished."

Bert L. Cole
Commissioner of Public Lands
Steve Robinson
Director of Public Affairs
State of Washington
Department of Natural Resources
Olympia, Washington

"As a professionally licensed and practicing forester, I have grave doubts that locking our known or undiscovered natural resources up in wilderness or pseudo-wilderness land classifications is wise. To remain competitive economically in the world market, this country needs to follow Pinchot's conservative philosophy — the wise use of resources, especially those that are renewable, and manageable.

"The vocal preservationist minority should not be allowed to sway our law-makers and law-interpreters to locking up the resources without a battle from us 'Smokey Bear' types. Long live Smokey."

Grant D. Brown
Pasadena, California

"BLM alone has proposed 446 million acres to be set aside within the next three years for roadless wilderness area. A conservative figure of 6,000 board feet per acre gives a total of 2,676 billion board feet of unmanaged potential timber revenue. At these conservative figures that is enough timber to build 535,200 three-bedroom homes and employ thousands of people.

"Approximately 35 million Americans are elderly and handicapped, a fact that restricts or eliminates their use of wilderness areas. Other problems which concern us all are unemployment, higher housing costs, and the energy crisis.

"Documented reports prove that managed forest lands out-produce unmanaged lands, in timber, fish, wildlife, and scenic beauty. Multiple use management is coordinated so that areas of land produce a combination of values that best serve the American people."

Sam Bommarito
Land Department
Douglas County
Roseburg, Oregon

"The Forest Service and foresters generally have done an inadequate job of explaining multiple-use forest management to the public. Mr. Dedera's article is exceptionally clear, uncluttered, and accurate. I hope that many people will read this article."

Richard C. Smith
Assistant Director
School of Forestry, Fisheries and Wildlife
University of Missouri-Columbia

"While the preservation of wilderness lands that are unproductive because of soil instability, topography, inaccessibility, or other reason is good land use, the removal of productive lands while the demands for lands for grazing, timber, minerals and energy production are increasing as the world's population increases is very unwise and could be almost criminal. The same people demanding that we set aside more wilderness will be the first to criticize the U.S. government for not providing for the world's needs.

"Attempts to preserve a biological community in a static state will be destined to fail. When a forest has properly designed and planned harvests, its yield of water and wildlife will be greater than in the untouched wilderness state, and will also support all of the other multiple-use benefits."

Terence G. Cooper
Alexandria, Virginia

"The National Park Service provides enough forestland in the nation, including Alaska, that is managed for preservation. This nation will need the

"One of the biggest problems the Forest Service has is making the wilderness enthusiast understand that trees die. Wilderness cannot last forever and has to be managed..."

forest products in the very near future that are provided by these national forests. If they are also locked up by preservation, the average American will not be able to afford a home, and all paper and other by-products will be at a premium.

"Today's average American was raised in an urban environment and therefore not familiar with rural and woodland values. They want to use the forests for their recreation, but don't understand why these uses are limited. Therefore, it is vitally important the public be educated and informed about forestland management and its advantages to everyone.

"Your company has done much toward informing the public by publishing this article in your magazine. I hope the article reaches the schools and public libraries, because it is an accurate description of . . . forest management problems."

Robert Wise
Service Forester
Kentucky Division of Forestry
Elizabethtown, Kentucky

"Frankly, the article angered me. If I had not worked closely with Exxon uranium prospectors in the past, and know their concern for prospecting with minimum land impact, it would have angered me even more.

"Of course, energy and other resources can be exploited with minimum impact to other values in many instances. In many other instances they are totally in conflict. In other words, 'the greatest good for the greatest number in the long run' may be in conflict with short-term commercial interest."

Dan C. Heinz
Leadville, Colorado

"Withholding multiple use from some areas will only save them for the future . . . We must save a piece of cake for our descendants. We can learn to watch our weight while there are still tasty tidbits. That's easier than gobbling all the good things now and dieting later for lack of esthetic sustenance."

Irene J. Komor
Forest Service (Volunteer)
Sula Ranger District
Sula, Montana

"I am a professional forester, and I highly support multiple-use forests.

"As far as oil drilling in national forests is concerned, I have observed wastelands created by early drillers. I have also viewed the techniques used today. I personally believe drilling for fuels today can be accomplished in harmony with the ideals of multiple-use management.

"Mr. Dedera's article is timely. By presenting his views in your magazine the ideas are presented to many people who would not otherwise take the time to become informed on natural resource issues. I therefore support his ideas and say 'bravo' to Exxon for publishing it."

Larry L. Morris
Perry, Florida

"You must remember that although the 'plumbers' delight' that the oil industry calls a 'Christmas tree' can be made to blend in acceptably with an unspoiled forest landscape, many of the residual practices of mineral exploitation and 'development' cannot. I have personally worked with strip mining, and underground mining, and have little good to say about it from an environmental standpoint. To allow mining to take place in wilderness areas is to negate the whole purpose of having wilderness. Perhaps the oil people can extract their resource without unacceptable damage to the environment. But we don't know yet about oil shale . . . Besides, if oil development is allowed on these areas so will the other mining activities.

"Do we need wilderness? I say yes. Do we need cheap energy? Probably, yes. Do we need cheap energy at the expense of wilderness? I say no. There may come a time when we will need the energy that may be locked up in wilderness areas, and need it desperately, but I don't think this is the time."

Richard J. Johnson
Professional forester
Fergus Falls, Minnesota

"As a practicing forester of long and varied experience I know that many of the uses of national forests complement one another and in total provide a much greater return to the people of the United States.

"Withholding multiple use from some areas will only save them for the future... We must save a piece of cake for our descendants...while there are still tasty tidbits."

"Public foresters know quite well how to plan and carry out these programs to maximize benefits but they are currently being harassed by politicians, by restrictive laws, by public criticism, and by internal divisiveness to the point where they are deeply frustrated and can't always proceed with the best program."

John B. Smith
Forest Properties
Portland, Oregon

A Dawning on the Prairie

With Exxon's help, a museum dedicated to the culture of the Plains Indians becomes a reality in Cody, Wyoming.

TWELVE MOONS AGO, out beyond the Big Horn, where the Absaroka Mountains begin their leap into the land called Yellowstone, a Gros Ventre Indian elder spoke in the tradition of great native American oratory.

To a respectful audience of many origins, in a voice rumbling like distant thunder, George Horse Capture said:

"The Sun is dawning on the prairie. A new day is upon us . . . We were asked to give advice, but we were apprehensive about being used as mere tokens. But from the first meeting our concerns were allayed. The people of this museum did something some prestigious museums never do.

"They listened. They heeded.

"So now they are even planning a sanctuary for our holy things. When this happens, the prairies in Indian Country will bloom."

The speaker's optimism was echoed by others. John Woodenlegs, Northern Cheyenne. Peter Red Horn, Blackfoot. John Warren, Arapaho. MarieVarilek, Shoshone. They spoke of a new home for the "bountiful life and culture." Of the "dignity and consideration it deserves." Of an honesty which transcends "stereotypes and half-truths."

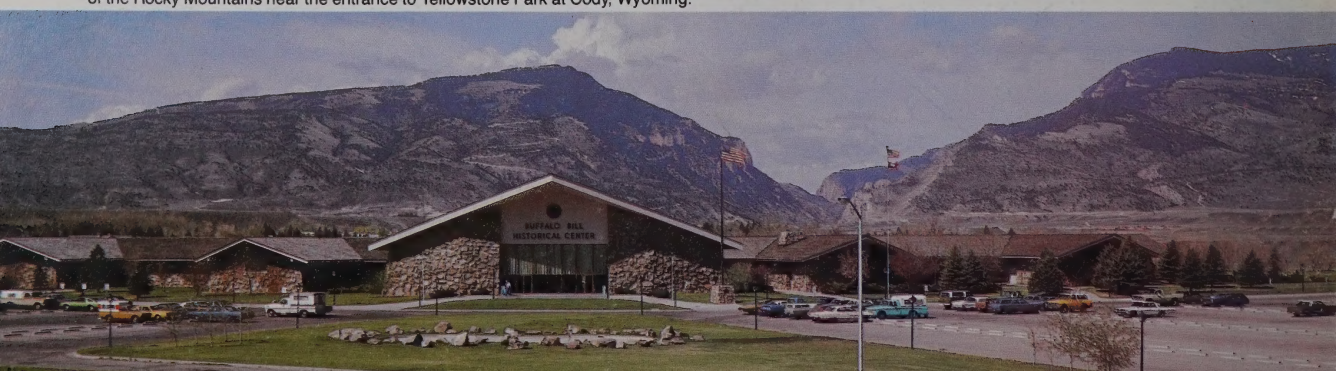
A year after the ground-breaking that aroused such high hopes, America's newest cultural celebration is nearing completion. By early 1979 the $4.5 million Plains Indian Museum at Cody, Wyoming, will be exhibiting, interpreting, and dramatizing the astonishing art, equestrian lifeways, and omnipresent religion of the 30 native nations of the prairies. They, who once rode herd on 30 million buffalo. They, who wed the horse with the Big Sky. They, who defeated Custer. They, who in substantial numbers were the last to make peace with the Great White Father. And they, who today rightfully retain pride in their rich heritage.

Each Plains Indian tribe will have its own exhibition space. One hall will

Crow board cradles; 1870-80.

"The Buffalo Hunt," Frederic Remington, 1890.

The Plains Indian Museum and Buffalo Bill Historical Center buildings blend into the foothills of the Rocky Mountains near the entrance to Yellowstone Park at Cody, Wyoming.



honor heroes. Another hall will show war relics; yet another will be devoted to religious beliefs. Adorning the central Grand Hall will be a village of authentic, full-size lodges, including a 150-year-old buffalo lodge, one of the largest Indian relics existing today.

And everywhere will beckon the best of Plains Indian art — now considered equal to any of the world's visual expressions. Abstract paintings on deerskin. Red Cloud's costume. A rare wolverine medicine bag. A Pawnee man's shirt. A necklace of grizzly bear claws. The personal belongings of Sitting Bull and Chief Joseph. The ceremonial attire of Sioux orator, American Horse. Taken together the exhibits will attempt to educate the larger American population regarding the cultural values of people who not long ago were considered "the lords of the earth."

From whence they came, no one can say for certain. Archaeologists generally surmise that the First Americans drifted around the Pacific Rim from Asia, perhaps as long ago as 100,000 years. By the time of the arrival of European explorers some 50 million Amerinds populated the New World from Alaska to Tierra del Fuego. They had subdivided themselves into as many as 2,000 distinct language groups. They had developed agriculture, excelled at ceramics, domesticated the dog, cast bronze by the lost-wax method, established a far-flung commerce, revered a pantheon of gods, and with advanced mathematics devised a calendar more accurate than those of Rome and Greece.

A half-century after the Columbus voyage, 80 years before Plymouth Rock, the Plains Indians were introduced to their first white man, a Spaniard, Coronado. They also met their first black man, Estevan, a guide for an expedition out of Mexico as far north as what today is Kansas. They and following Europeans brought trouble — but they also gave to the people of the plains the animal which would revolutionize their lifestyles.

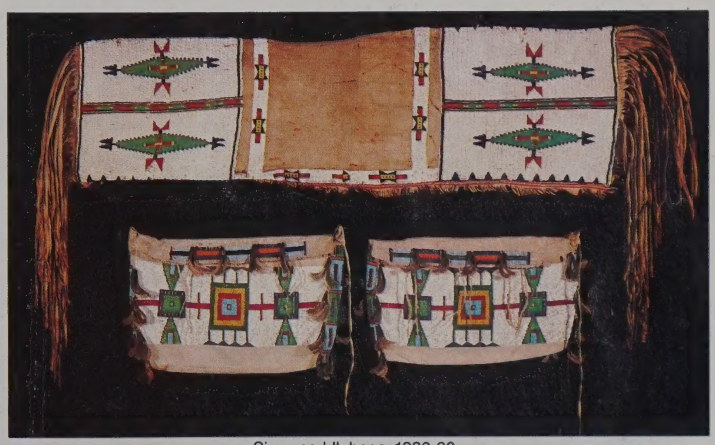
This "stag without horns," this faithful and affectionate bearer of burdens, this "spirit of the air faster than the wind," many of the Plains tribes called "the elk dog." Like the dog, the horse was a working friend of the people, and was as big as an elk. No tribes of the Americas more thoroughly adapted to the miraculous mobility and multiplied power in having herds of horses. By the time of the Lewis and Clark reconnoiters of 1804-6, the equestrian cultures flourished from the Mississippi to the Rockies, from Texas to Canada.

Some were nomadic predators upon bison. They dwelt in portable tipis — buffalo skins draped upon cones of long poles. These were the Arapaho, Assiniboin, Blackfoot, Cheyenne, Comanche, Crow, Gros Ventres, Kiowa, and Teton Sioux.

Other tribes spent some months in villages, and hunted buffalo only part of the year. These were the Arikara, Hidatsa, Iowa, Kansa, Mandan, Missouri, Omaha, Osage, Oto, Pawnee, Ponca, and Wichita.

Still another group of tribes are thought of as Plains Indians (although not even the Indian people altogether agree on the nomenclature), but pos-

"Days of Long Ago," Henry Farny, 1903.



Sioux saddlebags; 1880-90.

Spacious galleries of the Plains Indian Museum house the art of Remington, Russell, Catlin, Bodmer, and other interpreters of the western tradition.

sessed subcultural traits of their own. These were the Bannock, Caddo, Flathead, Jicarilla Apache, Kiowa Apache, Kutenai, Nez Perce, Plains Cree, Plains Ojibwa, Quapaw, Santee Sioux, Yankton Sioux, Sarsi, Spokane, Ute, and the Wind River Shoshone. Designations were further confused as native peoples of the East were pushed westward by the expansion of European occupation of the continent.

Prized as the buffalo was as a source of food, tools, and shelter, the beast was held sacred. The only acceptable justification for its slaughter was the all-but-total use for human needs. Plains Indians contrived more than a hundred uses: shoes, robes, hair rope, horn eating utensils, rawhide shields, bladder canteens, dung fuel, sinew bow strings, bone sleds. In her classic *These Were the Sioux* Marie Sandoz recounts the risks and rewards of the hunts, and the intertwining of every aspect of Plains Indian society with the shaggy, ponderous gift-god that could weigh much more than a ton:

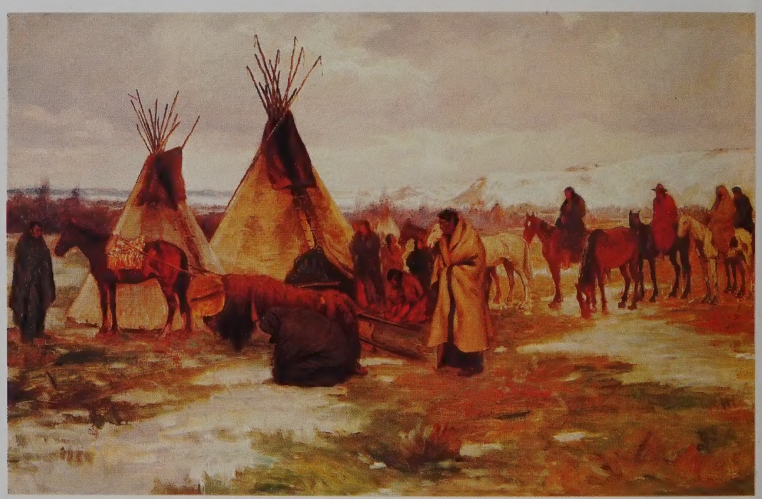
"And when the evening smoke was finished and the meat thoroughly cooked, for the Sioux ate his meat well done whenever possible, some young women went around offering choicer pieces to a hunter here, another there, or sent the crier to invite them to the fires. And afterward there were little songs made for the most successful and important of the hunters, perhaps for one who saved a man from a trampled death, and sometimes for a boy or two who had killed his first buffalo, and could scarcely make it seem nothing in his choking pride. Then there was a little dancing by those so young they never wearied. The rest slept, with the scouts far out because wolves drawn by the butchering howled the news of a tired and well-fed camp to the far skies."

Never, never, were the Plains Indians able to understand the slaying of a buffalo merely for a delicacy, such as the tongue, or only for a hide. To them, this was a sacrilege.

Practices widely admired in other parts of the world were ingrained in Plains Indian life. Families were close, with clear duties for men and women. Men hunted, led, set schedules, and fought — not only with white trespassers, but with rival tribes. Long before the coming of the whites, the soil of the plains drank the blood of bitter combatants, and legend holds that warfare was a commonplace path to political leadership. Women were assigned the chores of skinning, tanning, weaving, cooking, housekeeping, and child-rearing. Boys as young as 12 were considered mature. Girls came to marriage in exchange for gifts.

Religion influenced every thought, every deed — in a world where all aspects — down to massive stones half buried on the plains — were viewed with wonder. Sacrifices, apologies, and prayers were daily occurrences. Supernatural allies were courted. Every part of nature was believed to harbor a spirit. To ignore such power was thought to be potentially disastrous. Consider the behavior of Bobtail Horse, an Elk warrior eager to join in the battle against General Custer's troops at Little Big Horn. Writes David Humphreys

Sioux bow case and quiver; 1865-70.



"Burial Cortege of a Crow chief," Joseph Henry Sharp.

Blackfoot sacred thunder medicine pipe; 1870.

Crow man's shirt and tomahawk; 1870.

Miller in *Custer's Fall:*

"As any Cheyenne knew — and any Sioux, for that matter — an elk's tooth was indeed holy medicine, for it endured after all else had crumbled to dust. All afternoon Bobtail Horse had been drilling a hole through an elk tooth, preparatory to tying it onto a hair ornament to wear as a battle charm. When the alarm had gone up at the far end of the village, he had held back — not through any reluctance to fight, but simply because the charm was not yet ready. He would have been foolhardly indeed to charge into battle without it."

For many of the Plains Indians, the ultimate renewal of religious vows was possible during the Sun Dance. Lasting more than a summer's week, such ceremonies often included self-torture, marathon dancing, and complex prayers.

So long as the country abounded in game . . . by some estimates the buffalo alone numbered 75 million . . . the Plains Indians successfully adjusted to incursions by Spanish, French, English, Mexican and American trappers, miners, soldiers, and settlers.

But the white buffalo hunters, wanting mainly the hides, brought ruin to the Plains Indian economy. Between 1871 and 1883 the species was nearly exterminated. By 1889 only 85 animals survived on the open range. During these terrible years the Indians resisted by warfare, negotiated treaties, and in the end, embraced a Ghost Dance religion which envisioned the disappearance of the white race and the return of the buffalo. Insurrection culminated in one last violent moment on the snowy plains at Wounded Knee, South Dakota, in December, 1890.

In the years since some tribes have fared well, some poorly. Certain reservations have proven inadequate for supporting a high standard of living. Conversely, in the case of the Jicarilla people of New Mexico, in terms of shares of tribal wealth, the discovery and development of petroleum resources have made every man, woman, and child worth a quarter-of-a-million dollars. But whatever their station, the Indian peoples of the Great Plains and adjoining lands have retained a remarkable kinship with nature. The momentum of a hundred milleniums is not lost in a century.

By an ironic twist today, the Plains Indian Museum is approaching reality in association with a famous buffalo hunter, army scout, and Indian fighter: Colonel W. F. (Buffalo Bill) Cody.

In the winter of his life he was also an innovative organizer of Wild West shows. He fetched bored-stiff Indians from their reservations around the turn of the century, treated them decently, paid them well, and took them as far as the royal courts of Europe. In gratitude, many Indians in the shows presented Cody with gifts. These became the bulk of Cody's estate when he died cash-poor in 1917. An effort was begun almost immediately by public-spirited townspeople of Cody, Wyoming, and by Buffalo Bill's legion of well-to-do friends, to house the Cody collection.

First was a log cabin along the highway leading to Yellowstone National Park. Donations of land, services and money made possible in 1959 the com-

Crow horse crupper; 1880-85.

Mesquakie flower blanket; 1860-80.

Sauk and Fox bear-claw necklace; 1840-50.

pletion of the first large and modern building of the Buffalo Bill Historical Center. Now the center sprawls imposingly across a whole neighborhood of Cody, a tidy, friendly city of tourist accommodations, Indian stores, and genuine ranchers.

The Whitney Gallery of Western Art safeguards and displays an important collection of Western paintings and sculpture. Nearly 300,000 visitors annually spend a few hours or days browsing wings filled with oils and bronzes by Remington and Russell, Catlin and Moran. At no other institution is the western saga so broadly chronicled. Numerous contemporary artists of the West are represented at the Whitney.

The Buffalo Bill Museum, sometimes subtly, sometimes starkly, traces the changing mores of the peoples of the plains. Evidences of the white invasion are seen in arts and crafts: glass beads, eastern dress fashions, blankets made into rugs, and metal from industrial lands. Cody's personal memorabilia reveal the scope of his adventurous life. Here are his hats, fringed jackets, horse trappings, scalps of both Indians and whites, a hand-written report of Custer's fight, photographs of Cody as the most intrepid of the Pony Express riders, and souvenirs of Buffalo Bill's cronies and showstoppers — Annie Oakley the sharpshooter, Wild Bill Hickock the gunfighter, Kit Carson the fellow scout, Jim Bridger the mountain man, and Crazy Horse the war chief.

Another major attraction at the historical center is the Winchester Museum, which two years ago arrived lock, stock and barrel from New Haven, Connecticut. Containing more than 5,000 firearms, the bequest by the famed rifle manufacturer forms a comprehensive record of the arms industry. Of particular interest are examples of the Model 66 Winchester, a 16-shot repeater favored by Indian warriors.

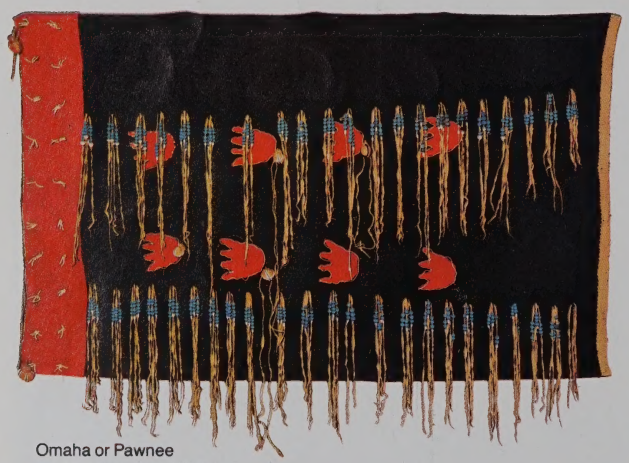
Funds for completion of the new Indian museum largely came from American publishing, retail, and resource firms, and their charitable foundations. Exxon Company, U.S.A. contributed $10,000 as an endorsement of the emphasis on educating non-Indian Americans regarding the commendable qualities of the native peoples of the plains.

Closest to the hearts of the Indians themselves are plans for research and revitalization of the early religions of the plains. As an example of what is possible, white artists and Indian elders recently collaborated in the reconstruction of a "high mass" of the Blackfoot tribe. The effort not only produced a written account of the traditional ceremony, but documented a diorama of the interior of a holy tipi in every detail. As well as a museum, the new institution will also serve as a sanctuary for Indian faiths.

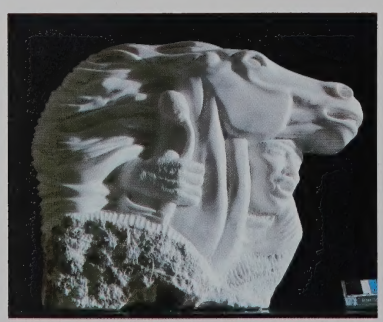
"There is a place in this country for an institution, unlike any other in the world, which will present in depth the story of the culture of the Plains Indian," says Paul Dyck, distinguished artist and Indian champion.

"The heroic spirit of the West and its people has not ended with the frontier . . . it has merely been lulled to slumber by the indifference of the modern age."

Now, adds George Horse Capture, "the sun is standing high." DON DEDERA



Omaha or Pawnee
bear-society flag; 1865.



"Drama on the Plains,"
Allan Houser, 1976.

"Mato-Tope, a Mandan Chief,"
Carl Bodmer.

A Tradition of Great Oratory

You have noticed that everything an Indian does is in a circle, and that is because the Power of the World always works in circles, and everything tries to be round. In the old days when we were a strong and happy people, all our power came to us from the sacred hoop of the nation and so long as the hoop was unbroken the people flourished.

— Black Elk, Oglala Sioux

. . . Our Ancestors. Are we to give up their sacred graves to be plowed for corn? Dakotas, I am for war!

— Red Cloud, Oglala Sioux

I am tired of fighting. Our chiefs are killed. Looking Glass is dead. It is the young men who say yes or no. He who led the young men is dead. It is cold and we have no blankets. The little children are freezing to death. My people . . . I want to have time to look for my children and see how many I can find. Maybe I shall find them among the dead. Hear me my chiefs. I am tired; my heart is sick and sad. From where the sun now stands, I will fight no more forever.

—

Let me be a free man, free to travel, free to stop, free to work, free to trade where I choose, free to choose my own teachers, free to follow the religion of my fathers, free to think and talk and act for myself — and I will obey every law or submit to the penalty.

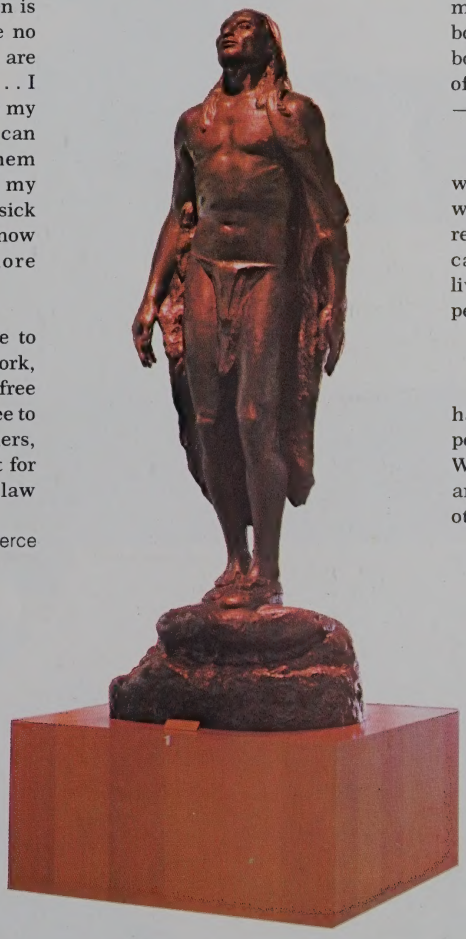
— Chief Joseph, Nez Perce

We talk to Wakan tanka (the Great Spirit) and are sure he hears us . . . If it were found possible for spirits to speak to men, they would make themselves known to their friends after they died, but they never came to speak to us again, unless, perhaps, in our sleeping dreams. So it is with Wakan tanka. We believe that he is everywhere, yet, he is to us as the spirits of our friends, whose voices we cannot hear.

— Chased-By-Bears, Sioux

What is life? It is the flash of a firefly in the night. It is the breath of a buffalo in the winter time. It is the little shadow which runs across the grass and loses itself in the sunset.

— Crowfoot, Blackfoot, his last words



"Buffalo Prayer," James Earle Fraser.

The Lakota . . . loved the earth and all things of the earth, the attachment growing with age. The old people came literally to love the soil and they sat or reclined on the ground with a feeling of being close to a mothering power . . . the old people liked to remove their moccasins and walk with bare feet on the sacred earth. Their tipis were built upon the earth and their altars were made of earth. The birds that flew in the air came to rest upon the earth and it was the final abiding place of all things that lived and grew. The soil was soothing, strengthening, cleansing and healing.

—

. . . In the Indian the spirit of the land is still vested; it will be until other men are able to divine and meet its rhythm. Men must be born and reborn to belong. Their bodies must be formed of the dust of their forefathers' bones.

— Chief Luther Standing Bear, Dakota

What law have I broken? Is it wrong for me to love my own? Is it wicked for me because my skin is red? Because I am a Sioux; because I was born where my father lived; because I would die for my people and my country?

— Sitting Bull, Hunkpapa Teton

The Wasichus (white people) have put us in square boxes. Our power is gone and we are dying . . . We are prisoners of war while we are waiting here. But there is another world.

— Black Elk, Sioux

Getting America Going Again

The American Productivity Center seeks to restore productivity growth rates as the best antidote for America's economic woes.

PRESIDENT CARTER SAYS that if we don't improve it, there'll be fewer jobs and lower living standards for Americans.

Charles Schultze, chairman of the Council of Economic Advisers, says its decline produces inflation and unemployment.

Michael Blumenthal, secretary of the treasury, says its growth is the key to prosperity for our next generation.

Senator Lloyd Bentsen, chairman of the Joint Economic Committee, says further inattention to it will lead to racking friction and social upheaval in America.

They are all talking about *productivity* — the efficiency with which people produce goods and services, or the ratio between what you get out for what you put in. The nature of these leaders' concern lies in the fact that America appears to be slowing down and losing its leadership as the healthy, growing, innovative land of opportunity that it used to be.

Statistics tell the story. From 1950 to 1965, productivity in the United States grew at the rate of 2.6 percent per year. From 1965 to 1973, the growth rate fell to 2 percent. From 1973 to 1978, productivity growth averaged only 1 percent. In 1978, it slumped to 0.4 percent.

Meanwhile, in the decade of 1966 to 1976, the productivity of Japan was growing at an annual rate of more than 9 percent. Belgium and Denmark experienced growth rates of better than 8 percent. France and Germany both enjoyed productivity increases at around 6 percent per year. Even the strike-prone and economically bedeviled

United Kingdom managed a productivity growth rate in excess of that of the United States.

Why has productivity slumped in America? There appear to be many causes. Here are a few that experts identify:

• **Government regulation** Rules and regulations imposed by government also impose costs, and excessive rules impose excessive costs. Ubiquitous regulation today subtracts tens of billions of dollars from funds that might otherwise be turned to productive use. Overregulation likewise discourages investment that could create new jobs and promotes inefficiency by discouraging innovation.

• **Environmental costs** Industry has had to invest hundreds of billions of dollars into nonproductive equipment to protect the environment. While Americans may accept these costs as necessary, the price is one of reduced productivity.

• **Growth of services** The growth of the service industry, which is generally characterized by lower productivity growth rates than manufacturing, has lowered the national average.

• **Growth of government** The rapid increase of people working for government, which has a low productivity growth rate, has tended to pull down overall productivity levels.

• **End of the farm exodus** The massive shift of agricultural labor to industry has slowed, thereby halting a major source of productivity gains.

• **Decline in R&D** Investment in research and development as a percentage of gross national product has steadily declined in the U.S. while it has risen in many other nations such as Japan, Germany, and the Soviet Union.

• **Lower capital investment** Among the five major nations, the U.S. invested the smallest proportion of gross national product in plant and equipment over the 1960 to 1973 period. Taxes, inflation, and government policies are cited as reasons.

• **Worker attitudes** Some believe that positive attitudes toward work have declined among Americans. Boredom, a shift from the work ethic, and a change of personal and social goals as opposed to work goals are suggested as reasons.

• **Work restrictions** Rules imposed by labor unions and by management on what employees can or can't do, and how work must be conducted, frequently stifle productivity by artificially restricting innovative approaches to problems or tasks.

• **And a host of others** Discouragingly high taxes, rising energy costs, stop-and-go government economic policies, wage and price controls, and management inattention also contribute.

Should this concern you? Dr. C. Jackson Grayson, Jr., chairman of the American Productivity Center, says it should. For behind those statistics lie what Grayson discerns as the real causes of rampaging inflation, persistent unemployment, a weakening dollar, a worsening balance of trade, and the loss of American jobs and markets to foreign competitors. These troubling economic misfortunes, says Grayson, all translate directly into a lower standard of living and less job security for all Americans, no matter who they are or what they do. And for the poor, the disadvantaged, and the upwardly mobile young with an eye on the future, America's declining productivity spells hard times and a smaller slice of a shrinking economic pie.

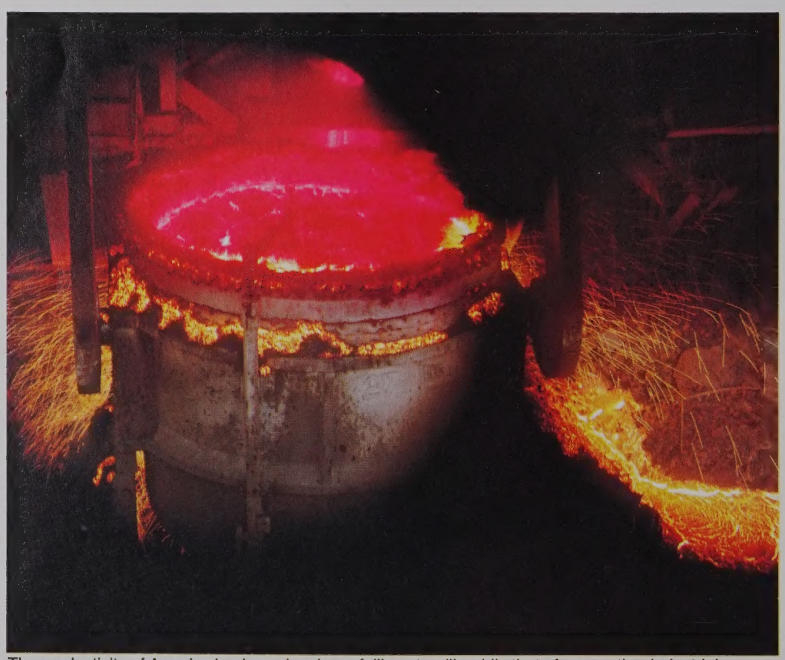
The feeling that someone ought to do something about America's productivity problem led Grayson to resign as dean of the business school of Southern Methodist University and in 1977 to found the American Productivity Center with headquarters in Houston, Texas.

As a former chairman of the Federal Price Commission, Grayson knows from personal experience that wage and price controls are the wrong way to cope with inflation. "They don't work," he says flatly. But during his tenure in government, he made an unsettling discovery. While trying to acquire data from companies on productivity growth rates so as to set price control policy, Grayson found that few in business understand what productivity really is. What's more, few make even a stab at measuring it. "Those that did told me they simply didn't have good numbers," Grayson recalls.

Looking for help, Grayson found that apart from a half-dozen college professors and business consultants, there was no organization, school, or agency interested in or knowledgeable about productivity as a vital element of America's economic engine. By contrast, 20 European and 14 Asian nations have national productivity centers, with the best known being those of Japan and West Germany.

"It's no coincidence," says Grayson, "that those nations where people are working creatively to improve productivity have surpassed those that aren't." Admittedly, no institution can solve the problem or improve the numbers by itself. "But a center can serve as a catalyst," Grayson points out. "It can call attention to the problem and help people learn how to be more efficient."

In seeking support for his proposed



The productivity of America business has been falling steadily while that of many other industrial nations has been rising dramatically, statistics show.

Those nations where people are working creatively to improve productivity have surpassed those that aren't, APC Founder Jackson Grayson says.

center, Grayson had several obstacles to overcome. Most of them stemmed from misunderstanding or ignorance about what productivity means. For example:

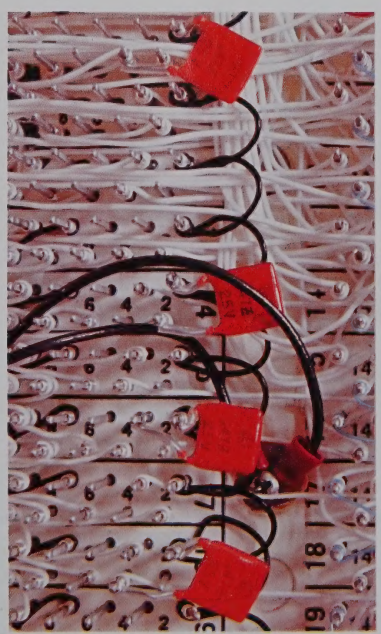
Some labor and business leaders equate productivity with speedups, layoffs, and more work for less pay. Others confuse productivity with production, which means more and more goods and suggests the wasteful consumption of scarce resources. "Both views are wrong," says Grayson. In fact, productivity means nothing more than making the best use of any resource, whether human, capital, or material. Where resources are scarce, productivity becomes even more important as a means of doing better with that which is available so that Americans can continue to aspire to a bigger slice of a growing economic pie.

Many in government and business are unaware that productivity growth rates have been falling in America, and fail to make the connection between reduced productivity and increased inflation. Grayson points out that after-tax real wages in this country have remained static over the past 12 or 13 years. The average worker has been unable to improve his lot because taxes and the growth in inflation have exceeded the growth in productivity. "If wages go up 7 percent," Grayson explains, "and productivity growth remains at zero, then the resulting inflation will amount to 7 percent. When that happens, your standard of living will stay the same, whether you are a ditch digger or chairman of the board." By the same standard, if productivity rises 7 percent along with a 7 percent wage increase, then inflation will remain at zero, and workers at all levels will enjoy an increase in real wages and a higher standard of living becomes possible

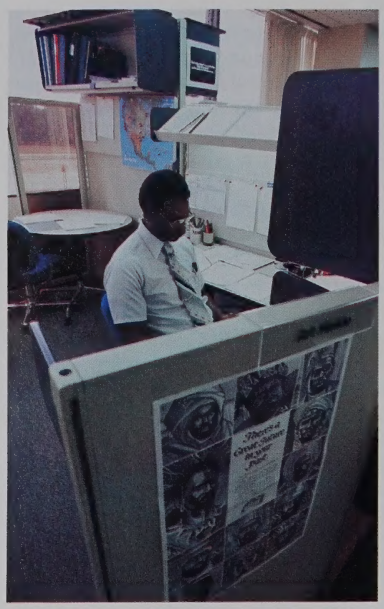
Many in business understand that productivity growth is important but believe that little or nothing can be done about it. They worry that emphasis on productivity might bring about greater governmental regulation or increased union and labor hostility. Yet, both labor and management have much to gain by working together toward productivity goals, with the real rewards being more jobs, higher real wages, higher real profits, stronger markets for goods and services, job security, and a better quality of life both on and off the job.

Despite doubt and disinterest, coupled with a reluctance to become involved in "still another organization," Grayson succeeded by the force of his logic and the strength of his proposals to enlist massive support. Some 75 corporations chipped in $10 million in cash and pledges, enabling the APC to begin a full year of work in 1978. Meanwhile, a group of Houstonians set up The Foundation for Business, Politics, and Economics for the purpose of raising funds to build suitable facilities for housing the APC. With Randall Meyer, president of Exxon Company, U.S.A., as chairman, the foundation raised funds, bought property in Houston, and began construction. The APC will occupy its new quarters late this year. "We deliberately stayed away from Washington, D.C.," Grayson explains. "We didn't want to appear to be a quasi-governmental agency, and we didn't want to be surrounded by the government's influence there."

To supplement the work of 20 full-time APC staff people, 16 companies loaned executives to work at the center for one year. From Exxon Chemical Company, U.S.A. came Paul V. Long, who now has returned to his company to apply what he learned. While with the APC, Long helped to develop a productivity measurement system for application at the plant or firm level. He also developed means for appraising a company's operations for its productivity improvement potential. He's now testing the measurement model in Exxon Chemical's operations as a first step toward improving the company's operating efficiency. Long's work, and that of others at the APC, has added to the sum of knowledge about productivity from which other companies and institutions may benefit.



Too little is known about measuring productivity as a total factor in the economy, APC researchers observe.

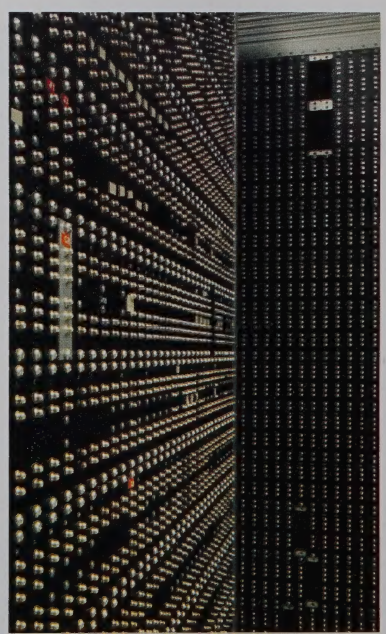


People on the job already know how to be more productive, if they are allowed to be, the APC reports.

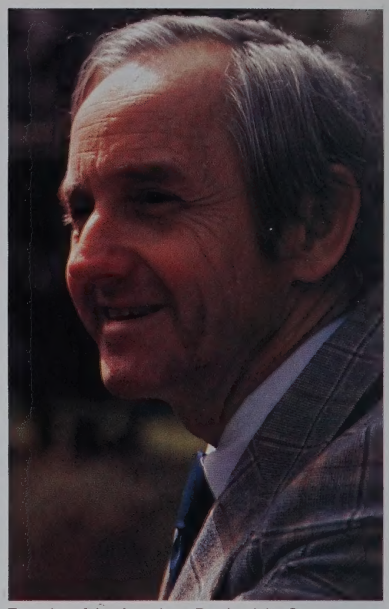
Currently, the center's work divides into seven allied lines of endeavor. Staffers seek to:

- Make Americans aware of the importance of productivity to America's future. Using newsletters, printed materials, films, and personal calls, they are spreading the word among the leaders of industry, government, labor unions, and academe. With awareness will come concern, Grayson believes, and that will lead to more active interest in seeking solutions.
- Learn more about productivity as a subject, including the kinds of techniques and methods that lead to improvement. Researchers seek to separate reality from myth about productivity, to establish baseline data, to identify sources of productivity and obstacles to it, to define what is and is not productivity, and to discern trends in rates of growth or decline.
- Learn how to measure productivity as a total factor. Remarking that measurement is the weakest link in the understanding of productivity, Grayson believes it to be one of the most important areas of the center's work. "People think they know how to measure it, but as we discovered, they really don't," he says. "It involves much more than counting how many units you make per hour, and is actually a very complex problem." Until better measurement systems are devised, Grayson observes, national statistics on productivity will remain inadequate for the setting of intelligent public policy.
- Learn how to appraise the productivity potential of a firm or industry so as to identify strengths and weaknesses.
- Devise formal programs to enable companies to work constructively toward positive productivity goals.
- Promote cooperation between labor and management, so that fears and concerns are eliminated and the very real rewards of increased productivity realized to the benefit of all concerned.
- Find and make available tools, methods, ideas, and experiences that may help people become more efficient. "My first step in seeking answers," says Grayson, "is to ask the person on the job to tell me how he or she could be more productive in the time available. The people who are trying to do the work know where the obstacles are." Such obstacles may take many forms: lack of training, inadequate tools, poor materials, lack of cooperation between groups, antiquated or restrictive rules, lack of incentives, and confusion as to priorities are a few. Asked for ideas, people can invariably come up with better ways. "When they do," says Grayson, "we pass the ideas along to others."

For that purpose, the center conducts seminars, training sessions, and conferences around the country. Group leaders use visual aids, printed materials, and tapes to convey information. "Any company or institution can come to us and ask for help or advice," Grayson says, "and we will provide it. We don't offer a big band wagon full of nostrums, but we can tell concerned managers what has worked for others and show them how to build productivity with tools they make themselves."



Declining investment in research and development has been identified as one of the causes of declining productivity, experts say.



Founder of the American Productivity Center, Jackson Grayson once served as chairman of the Federal Price Commission.

For the American who believes in the private enterprise system, the APC offers both hope and a challenge.

"World records show that the market system, with its sense of private property and capitalism, is more productive than any other system tried by mankind because it encourages and rewards personal initiative," Grayson says. It is America's challenge to regain the productivity growth it once enjoyed, because that is the best defense for private enterprise, Grayson believes. And he feels the APC offers the best hope for success in this objective.

"Working together," says Grayson, "we can get America going again."

DOWNS MATTHEWS

HOW TO CONTACT THE AMERICAN PRODUCTIVITY CENTER

If you are interested in learning more about the American Productivity Center, write to C. Jackson Grayson, Jr., at 1700 West Loop South, Suite 210, Houston, TX 77027.

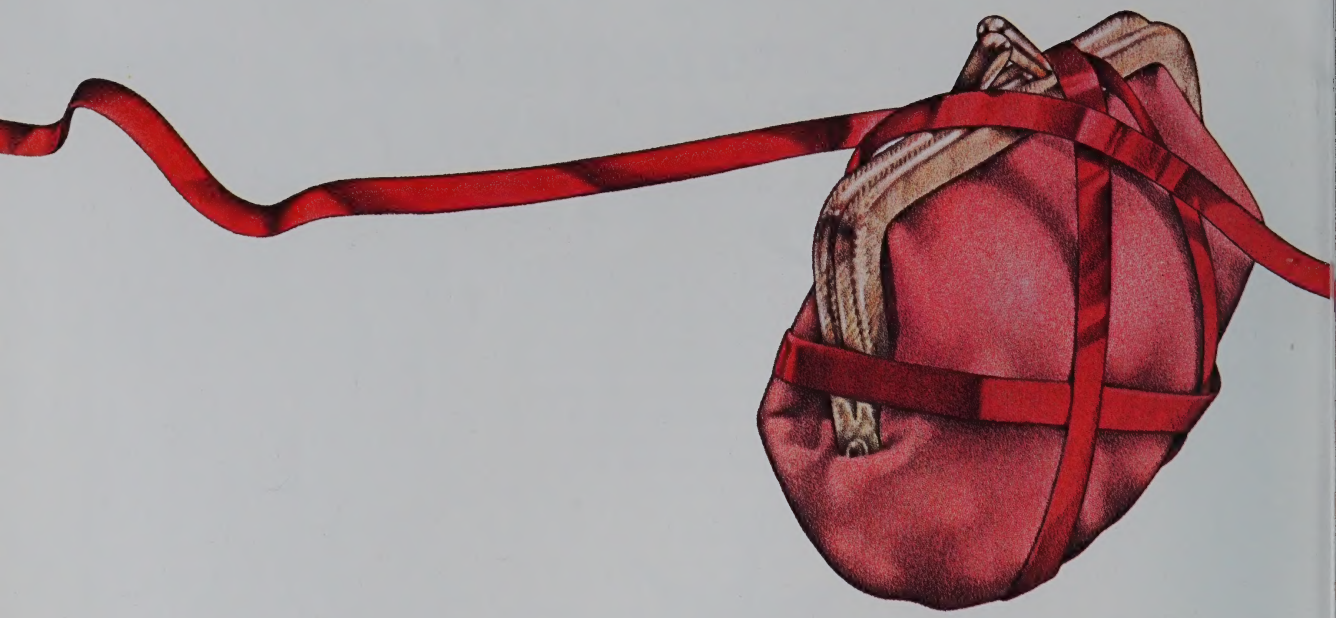
Overregulation: What Can We Do?

Dr. Murray Weidenbaum says that Americans, in their own best interest, must insist on less government regulation of their lives.

PERHAPS THE MOST PERSISTENT and persuasive champion of regulatory reform in the nation today is an energetic, urbane still-young campus economist named Murray L. Weidenbaum. The director and founder of the Center for the Study of American Business almost daily finds a forum for discussing governmental meddling with American lifeways.

Wherever he can reach an audience — by lecture, in the press, before legislative bodies, through his own voluminous scientific and popular writings — he thumps an unswerving theme: The people of the United States are paying for more regulation than they need.

Professor Weidenbaum's experience spans a spectrum of practical as well as academic economics. With a doctoral degree from Princeton, he has served as a consultant to private business, as assistant secretary of the treasury, and for most of 15 years, as teacher at Washington University at St. Louis. A fellow of the National Association of Business Economists, adjunct scholar at the American Enterprise Institute, Mallinckrodt distinguished university pro-



fessor, Weidenbaum has authored several books, including the soon-to-be-published volume, "The Future of Business Regulation." *Exxon USA* interviewed Weidenbaum to discover his views on overregulation and what might be done about it.

EXXON USA: *For a starter, is there any merit to widespread concern among American business leaders that the whole system of free enterprise is under assault?*

WEIDENBAUM: There's no doubt that such an attack is continuing. Look at any day's news, and you see allegations of slush funds, imperialistic behavior overseas, environmental pollution, hazardous working conditions, unjustified price increases, and obscene profits. Whether or not these allegations later prove to be true, the immediate solution offered by politicians and commentators is an expansion of governmental control of business.

EXXON USA: *Eventually, will Americans want the government to take over business entirely?*

WEIDENBAUM: I think not. Americans have meekly accepted a tremendous amount of regimentation in recent years, but basically I believe they remain suspicious of too much governmental power. There's a general poor regard for the prominent elements of our establishment: big business, big labor, big government. At the same time there persist strong emotional opinions regarding environmental quality, job discrimination, and shoddy products. Popular public figures easily win emotional support when they insist the country's woes would go away if business would confess its sins and mend its ways.

EXXON USA: *Maybe a counteroffensive is in order – to sell the free enterprise system.*

WEIDENBAUM: It's been tried. Can you sell free enterprise the way you sell corn flakes or soap? I don't think so.

EXXON USA: *Can nothing be done?*

WEIDENBAUM: I'm optimistic that in the long run Americans will care about their own money. I say that, because our center at Washington University has succeeded in developing as a national issue the notion that overregulation of business is wrong because it hits the consumer right in the pocketbook. That's not a very theoretical proposition, but it strikes home. Unwarranted attacks upon our economic system hurt the consumer directly.

EXXON USA: *Will many consumers accept that line of reasoning?*

WEIDENBAUM: They will, if they are given good information. Any argument against overregulation must begin honestly with recognition that government regulation of business has benefits. Unquestionably, some regulation is needed. Even business leaders by and large accept the concept of the government setting the rules to insure fair play and further society's goals. But governmental intervention into the economy also entails great costs. And the evil of overregulation is that it interferes with some of the nation's most important goals.

EXXON USA: *How would you define overregulation?*

WEIDENBAUM: It comes about when the costs and other negative side effects of governmental action are ignored. Controls are carried far beyond the point where benefits equal or exceed costs. Overregulation has real meaning as a word. It is shorthand for *government intervention that does more harm than good.*

EXXON USA: *You maintain that regulation is costly. Who pays?*

WEIDENBAUM: First, the taxpayer. You and I. Outlays of the federal regulatory agencies have grown from $2.2 billion in fiscal 1974 to $4.8 billion in this, fiscal 1979. That's an increase of 115 percent in just five years. But direct support is only a part of the burden of regulatory costs. The cost of doing what the regulations require is much higher.

EXXON USA: *Can you give us an example?*

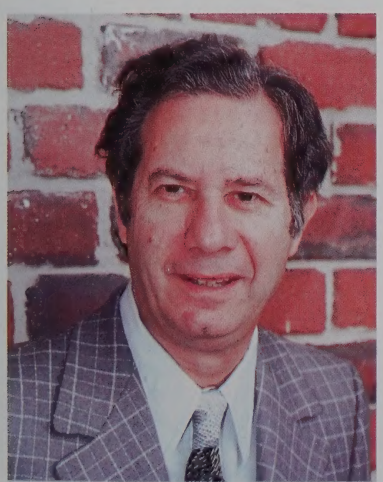
WEIDENBAUM: The motorist pays for federally mandated safety and environmental features which increase the price of an average passenger car $666. Compliance with the regulations is costing American motorists $7 billion a year in the form of higher priced cars. Is such an expenditure necessary? Perhaps it is, but I wonder. By spending so much on safety features built into cars, we as a nation have less to spend on other ways of reducing highway injuries and deaths, such as removal of roadside hazards and improved driver training.

EXXON USA: *What of the regulatory burden upon business? Isn't the bulk of the cost borne by larger companies that have plenty of resources?*

WEIDENBAUM: Regulation and overregulation reach into the largest and smallest of enterprises. There are over 4,400 different federal forms that the private sector must fill out each year. That takes more than 143 million hours, the economic equivalent of a small army. In one of the more conservative estimates, the Federal Paperwork Commission says that federal red tape imposed upon the private sector costs from $25 billion to $35 billion a year. The commission flatly states that a substantial portion of this cost is unnecessary.

EXXON USA: *Is that the sorest point with business people – the paperwork?*

WEIDENBAUM: Well, it's the most irksome. But even the smallest of businesses today cannot operate without considering a multitude of federal, state, and local regulations which in effect form a "shadow management" of governmental counterparts. Government partners are involved in decisions: what lines of business will be allowed, what must be produced, what will be the prices, how will the products be marketed, and what profits will be attained. That's scary. Risk has always been a reality in business, but if the governmental partners in business make bad decisions and a business goes broke, the regulators lose nothing.



Dr. Murray L. Weidenbaum: "The evil of overregulation is that it interferes with some of the nation's most important goals."

EXXON USA: *Around 1,000 Exxon employees work full time to help the company comply with federal regulations. Some 150 of these workers do nothing but fill out government forms. Is this unusual?*

WEIDENBAUM: Exxon's situation isn't exceptional. The oil industry is but one of the many heavily regulated industries. But consider the plight of the proprietor of a small business. If he wants to establish a pension plan to reward employees, governmental paperwork can run the costs out of sight. It's not uncommon these days for a successful one-person business to elect not to expand because of the inevitable regulatory burden.

EXXON USA: *You've often counted the squelching of initiative and innovation as a tragic cost of intensive regulation.*

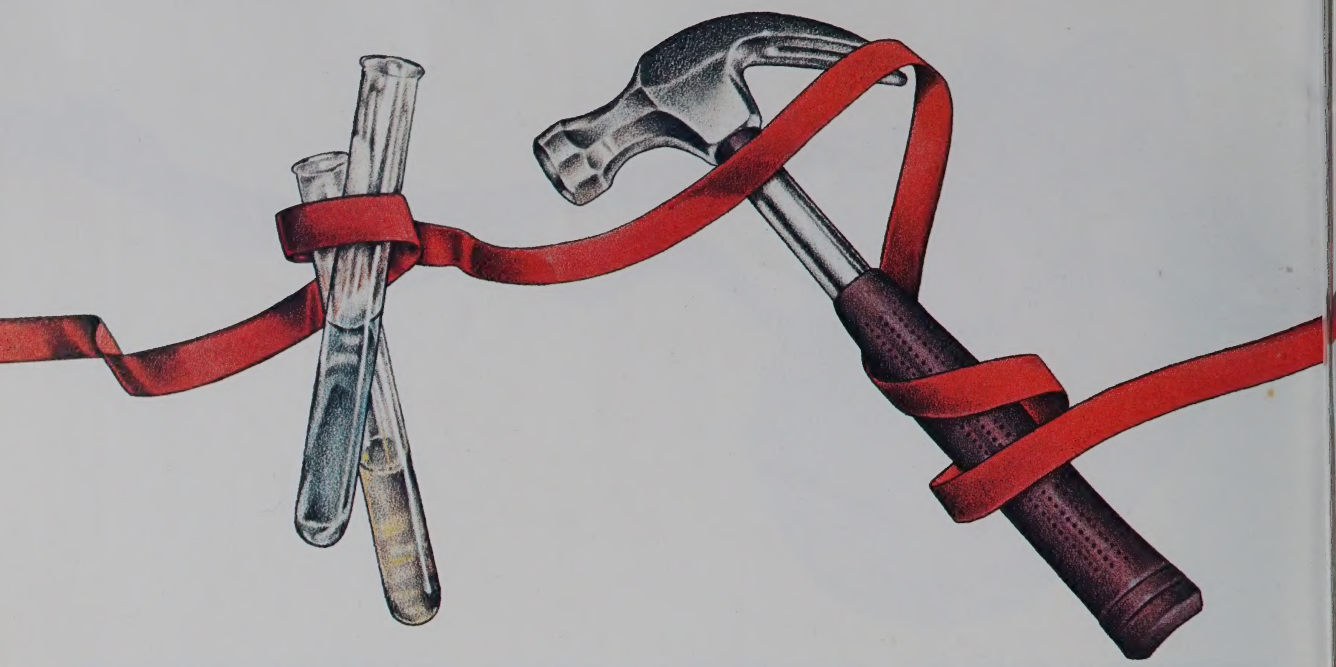
WEIDENBAUM: There was a time when America was the innovative leader of the world. So repressive are regulations today, some observers doubt that penicillin could be used as a commonplace drug. Or, for that matter, aspirin. Or digitalis. So much of our medical research has to be defensive, we are sacrificing an expanding future for a regulated present.

EXXON USA: *Who else pays for regulation?*

WEIDENBAUM: The homeowner. Regulatory requirements imposed by all levels of government are adding over $2,000 to the cost of a typical new house. With two million homes being built this year, governmental regulation of housing will cost the nation $4 billion.

EXXON USA: *It's generally supposed that working people and their unions support close regulation of business. Is this so?*

WEIDENBAUM: I detect no monolithic position taken by working people and their organizations. Government regulation has strongly adverse effects on employment. The minimum wage law has priced hundreds of thousands of people out of jobs. One increase alone reduced teenage employment by 225,000, with a disproportionately large impact on nonwhite youngsters, precisely the group reporting the highest unemployment rate. In addition, many factories have been closed down — with a resulting loss of jobs — because of the high costs of meeting regulatory requirements, particularly in the area of environmental and safety precautions. This mustn't be interpreted to mean that there is no need for environmental and safety precautions. There obviously is a need. But that isn't the



question. The point is that money invested in nonproductive equipment or activities is money no longer available for investment in profit-making projects that produce jobs at a time when people badly need jobs. In recent years these deflections of private investment from productive uses have absorbed about one-fourth of the nation's potential annual increase in productivity.

EXXON USA: *An oft-heard complaint holds that regulations are ambiguous and outright conflicting.*

WEIDENBAUM: That opens a whole book of regulatory horror stories. They typically occur when narrow-minded regulators abandon common sense and enforce rules which tend to defeat worthwhile goals. As an example, the desulfurization of coal — to reduce air pollution — requires a combination with lime. Disposing of the solid waste, calcium sulfate, can create a problem in water pollution. The bureaucrat concerned with air pollution doesn't worry about water pollution. And for another example, federal food standards require that meat-packing plants be kept sanitary. Surfaces easy to clean are tile and stainless steel. But these surfaces are highly reflective of noise. They are faulted for that by inspectors who regulate occupational safety and health. Here we have regulatory agencies preoccupied with their narrow interests — oblivious to the effects of their actions upon other matters. We've all laughed at the silly rules that on one hand require loud backup horns on dump trucks and other rules that on the other hand require workers to wear ear muffs to guard against loud noises. These are not isolated . The whole regulatory system is a maze of contradiction.

EXXON USA: *It seems as if nobody really knows what's in the public interest.*

WEIDENBAUM: Some people sincerely believe they know what is best for everybody else. Many of the so-called "consumerists" and "people lobbies" are self-appointed. Their intentions may be good and they honestly believe they can best advise society as a whole. But in my view there exists a variety of bona fide interests that must be reconciled. Few tough problems in our society can be reduced to an either/or formula. And in the regulatory system programs continue even when they don't work.

EXXON USA: *For instance?*

WEIDENBAUM: The job safety program provides an example. Although the government's safety rules have resulted in billions of dollars in public and private outlays, the basic goal of a safer work environment has not been achieved. Statistics on work days lost to accidents prove this. In this case, it is not just a matter of high cost, but the fact that the regulatory approach just does not accomplish much.

EXXON USA: *If Americans truly want to streamline the regulatory system, what must they do?*

WEIDENBAUM: They've already demonstrated an influence for reform. Citizen outrage over the interlock devices in 1974 automobiles caused the overzealous regulators to retreat. Postponement of a proposed saccharin ban was a result of public displeasure. Another straw in the wind is the Supreme Court's overruling of the power of federal job safety inspectors to swoop down without advance notice. Responsible voices are making themselves heard throughout the land. The New York State Hospital Association recently released a survey which shows that 25 percent of the typical hospital bill stems from regulatory costs. The American Bar Association has issued a report urging regulatory reform. The American Council on Education has published a study of regulatory costs to education.

EXXON USA: *Are there guidelines to reform?*

WEIDENBAUM: First, we might borrow a page from the environmentalists' book. We should insist that every regulatory process be subjected to an EIS — an *economic* impact statement. New, proposed regulations thus could not be isolated, but would have to be reviewed against the probable effects on the economy. Each new regulation should be subjected to an honest cost/benefit analysis. Every new rule should have to pass the test: Will this do more harm than good?

EXXON USA: *What about existing regulations?*

WEIDENBAUM: Many are barnacles on the ship of state. We should enact a "sunset law" requiring a regular peri-

odic examination of whether or not the original aims of regulation are being achieved. If not, the regulation should be revoked, or at least redrawn in a workable fashion. At the same time, government should be forced to tell the true budgetary costs of the regulatory agencies plus the compliance costs.

EXXON USA: *And by such reviews some regulation might be eliminated altogether?*

WEIDENBAUM: At least alternatives to regulation might have a chance. Look at what's happening in the airlines industry with relaxation of regulation — cheaper fares, increased travel, more profitable operations, better service. All are the bonuses of less regulation.

EXXON USA: *While calling for reform among the regulators, would you want some changes in methods of business leadership?*

WEIDENBAUM: Business management, employees, and consumers all share a common set of values and long-term interests — a rising standard of living, higher employment rates, less inflation, a cleaner and healthier environment — although they may differ on the means of achieving these goals. It's futile to advocate a return to a simpler society. The tide of government intervention in private decision making will not be turned in one heroic battle, but on numerous fronts and in numerous skirmishes. It seems to me too many business executives follow an unproductive course of attempting to humor or placate critics of the free enterprise system. Still others try to stay out of sight in the hope that critics will pick on somebody else. But business has not succeeded in the economic sphere by dodging issues and I see scant prospect for that strategy to work for regulatory reform.

EXXON USA: *Are you saying that business is right and that the critics are wrong?*

WEIDENBAUM: Not at all. In fact, I think business should do a better job of its fundamental role — that which I call, "Minding the store." American firms need to fashion products at lower cost, and to develop new and better goods and services for the public. I do not advocate a lack of social responsibility, but a return to emphasis of the basic economic function of the business system, which is to meet the needs of the consumer.

EXXON USA: *The consumer. The average American. The man on the street. Joe Blow. Mrs. Housewife. The little guy. What does all this debate mean to them?*

WEIDENBAUM: Not long ago I heard the famous leader of a self-named public interest group plead eloquently for more regulation to make possible those basic American guarantees, "Life and the pursuit of happiness." At the same time, I thought, "Hey, what happened to liberty?" Look — individual life is a series of risks. There is no way that the government, business, the economic system or any other element of the establishment can guarantee consumers that risk is reduced to zero.

The government cannot be our nanny. I think Americans are sensible enough to know that. To my mind there exists a tremendous gap between the view of the formal consumer advocates and the view of the rank and file of consumers. Currently, there's a strong movement in the Federal Trade Commission to tell Americans *what to eat* through regulation of televison advertising. When a senior FTC official was asked if he thought it was the government's task to tell free Americans what to eat, his response was, "People eat for the wrong reasons." Talk about Big Brother!

Boiled down to essence, economic freedom is inseparable from political freedom. We foster one as we pursue the other. The future of our freedom is in our own hands. Sometimes we get encouragement in the most unexpected places. A recent television news program showed a girl who had just returned to the United States from several years in jail in South America. The camera caught her as she stepped off the plane. The reporter asked if she had learned anything in jail, and her tearful answer was, "I learned when you don't have your freedom, you don't have anything."

Reasonable regulation can enhance American life. It's a powerful medicine. It's expensive. As an overdose, it can do more harm than good. It's time for rewriting the regulatory prescriptions.

DON DEDERA

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FIRST QUARTER, 1979 **VOL. XVIII, NO. 1**

ABOUT THE COVER
Houston artist Bob Lapsley created this montage of images signifying the art, lifeways, and cultural values of the Plains Indians, whose history has been enshrined at Cody, Wyoming, in an outstanding new museum. Read about it in "A Dawning on the Prairie," beginning on page 16.

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Americans have a long and honorable tradition of achieving worth goals through private and voluntary associations.
Illustrations by Bob Lapsley

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Audubon Society President Elvis Stahr says that nonprofit and profit-making organizations must safeguard the private sector.
Photograph, page 8, National Audubon Society.
Illustrations by Bob Lapsley

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Readers write to comment on the advisability of multiple-use versus single-use policies as applied to public lands.
Photography by Don Klumpp

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With Exxon's help, a museum dedicated to the culture of the Plains Indians becomes a reality in Cody, Wyoming.
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Murray Weidenbaum says that Americans, in their own interest, must insist on less government regulation of their lives.
Photograph by Don Dedera; Illustrations by Kirsten Soderlind

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